The Cochin Kuries Regulation Amendment Bill.

Mr. A. Narayana Menon *(Vytilla).*—I beg to move that the Cochin Kuries Regulation Amendment Bill be taken up and finally passed.

Mr. K. S. Manickam (*Irinjalakkuda*).—I second it.

Motion was put and carried.

The Cochin Debt Conciliation Bill.

Mr. T. S. Narayana Ayyar (*Secretary to Government*).—Sir, the amendment discussed last evening was with reference to clause 14 (1) and the amendment proposed was 'half the amount of the total, debts instead of 'unsecured' debts. It is necessary to clarify the position in the light of the discussion that took place regarding the interpretation of clauses 14, 17 and 18. The function of the Board primarily is to induce a settlement among the creditors as provided for by clause 14. Then clause 17 says that if no amicable settlement is arrived at within 12 months the Board shall dismiss the application. What is the result? Does it mean that the proceedings before the Board would become absolutely purposeless and infructuous with no relief at all to the debtor? Then comes clause 18. Two interpretations have been suggested for this clause. One is that although no settlement is reached under clause 14 (1) and the petition has to be dismissed on that account, it is open to the Board to grant a certificate to the effect that the debtor has made a fair offer which, under the circumstances, the creditor ought reasonably to have accepted. The consequential relief to the debtor and the penalties which the creditors would be subjected to are pointed out in clauses 18 (2) and (3). The other interpretation put on clause 18 is this—Clause 18 following as it does, clause 17 cannot have operation in a case where the application of the debtor is dismissed, i. e. where no amicable settlement is arrived at under clause 14.

Mr. A. Sankara Menon *(Trippunithura).*—That is not the position taken up by this side.

Mr. T. S. Narayana Ayyar *(Secretary to Government).*—In this view, the certificate to be issued under clause 18 will be only with reference to creditors who are not parties to the settlement arrived at under clause 14. Where no creditor agrees, no certificate can be issued.

Mr. A. Sankara Menon *(Trippunithura).*—I did not say that the enquiry into the question whether certificates will be

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issued should be gone through after the agreement under section 14. When matters are enquired into to try to effect a settlement every creditor will present his case and the debtor will offer his terms. Those proceedings will be before the Board. Then if creditors representing not less than 50 per cent of the debts i. e. unsecured debts agree to a settlement then there is an agreement. When this stage was reached, what has taken place before the Board at the hearing will be taken into account and certificates will be issued. The Leader of the House thinks that those questions will be again gone into. I say that is not the position. All these matters will be enquired into but certificates would be issued only if there is an agreement.

Mr. T. S. Narayana Ayyar. *(Secretary to Government)*:— I am not now arguing which of the two interpretations is legally correct on the language of the clause. The two positions indicated raise two different questions of policy regarding the working of the Board. The difference, according to me, is not so much a difference in interpretation as a difference in principle. When once the principle has been accepted appropriate phraseology may then be adopted which will remove all scope for doubt or ambiguity.

Mr. A. Sankara Menon (*Trippunithura*).—Section 9 may also be considered.

Mr T. S. Narayana Ayyar *(Secretary to Government)*.— In the opinion of Government as at present advised, the latter position does not go far enough from the stand-point of the honest debtor. The position first mentioned by me appears to be more in consonance with the scheme of the Bill. At the same time, Government think that it is necessary to have a fair proportion of creditors who agree to the settlement under clause 14. If 50 per cent of the creditors, unsecured or secured, agree to a settlement that is a guarantee that the settlement is a fair one and must inspire some confidence in the mind of the other creditors. In the interests of the creditors, therefore, it is desirable to have this amendment. This brings the law into lime with the Madras Act.

Both the registration of the settlement and the issue of the certificate should be within twelve months. If there is no settlement between the creditors and debtors no certificate could be issued. The Board will take into consideration the agreement with regard to the creditors and a certificate will be issued with regard to certain recalcitrant creditors. In cases where there is no agreement the board is not able to issue a certificate. Should we be parties to that proposition?

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Mr. P. Raman Menon *(Mulakunnathukavu).*—We want that.

Mr. A. Sankara Menon *(Trippunithura).*—Section 9 may also be considered.

Mr. T. S. Narayana Ayyar *(Secretary to Government).*—For the safety and security of the unwilling creditors who do not come to an agreement it is necessary to have a fair proportion of creditors who agree to the settlement. If 50 per cent of the creditors unsecured or secured agree to a settlement, that will inspire some confidence into the other creditors. It is only necessary that their interest should be protected. It is for that reason that this amendment that the percentage of creditors who agree should be fifty per cent of the total debts of the debtor is introduced here as in the case of the Madras and other Acts. Other amendments that may be necessary may be raised afterwards.

Mr. President.—When the House was proceeding with the amendment to section 14 (1) proposed on behalf of Government, a doubt was raised as to the intention of the whole Bill and two possible interpretations were laid on the effect of this Bill. One interpretation was that the provisions of this Bill come into effective operation only if 50 per cent of the creditors agree to a settlement. This agreement on the part of 50 per cent of the creditors, whether secured or unsecured, was a condition precedent to the bringing into effective operation of the provisions of this Bill. In the absence of that agreement clause 17 operates and the Board dismisses the application. In other words where 50 per cent of the creditors do not agree to a settlement the debtor has no other remedy which he can otherwise get at the hands of the Board- That is the position. That is the interpretation which the Deputy President and most of the non-official members have placed upon the scheme of the Bill as it is framed. Luckily for us we are not now in a court of law trying to interpret the sections of an Act which the legislature has passed. We are ourselves making a legislation. Therefore at this stage let us first be clear in our minds as to what is the remedy we want to give to the debtor. Having made up our minds we shall put our ideas into appropriate words. The position of Government is that they are not satisfied with this remedy. (hear, hear.) Government want to offer a greater protection to the debtor. In other words Government are not satisfied with the position that a debtor will not have a remedy at all at the hands of the Board when 50 per cent of

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the creditors do not agree. Government are of opinion that some remedy should be given to the debtor where the Board is convinced that the debtor has offered all possible and reasonable offers and yet 50 per cent of the crditors will not agree to the settlement. Government are therefore prepared to concede that in case where 50 per cent of the creditors do not agree to a settlement even in such cases it will be open to the Board to give a certificate saying that the debtor has made a reasonable offer in the case of A, B and C and the Board is satisfied that that offer is reasonable. As the Bill is framed at present it leaves it open to doubt whether section 18 will give room for this interpretation that Government have placed before this House because section 17 is framed in such categorical words that "where no amicable settlement is arrived at the Board shall simply dismiss the application". Therefore there is no application before the Board on which they can grant a certificate. Therefore by a suitable amendment Government want to make it clear that certificates can be granted under two circumstances. Firstly where the agreement has been arrived at under section 14 (1) and 50 per cent of the creditors have agreed, though there are recalcitrant creditors outside this fifty per cent with regard to whom the Board is satisfied that a reasonable offer has been made and a certificate can be issued. Secondly Government want that the Board should be empowered to issue certificates even if not a single creditor has agreed. Suitable amendments will be made wherever necessary to bring about this idea.

Having canceded this position in favour of the debtor it is up to the Government to provide all possible safeguards to the creditor. Government would insist upon certain further amendments. Under section 14 (1) as it is now framed if 50 per cent of the unsecured creditors agree to a settlement that settlement will to a very great extent be in effect binding on the other secured creditors. Though the secured creditors will be left in tact with regard to their debts the position of the unsecured creditors will be practically that so much of the assets, some percentage of the assets, will be placed at the disposal of the consenting parties. Since you are placing the non-consenting creditors in that position we want to introduce a safeguard as a condition precedent that the settlement with the 50 per cent of the creditors, both secured and unsecured, must be free. Government are insisting upon that arrangement as a safeguard in the interest of the non-consenting creditors. I do not think it is an unreasonable position especially in view of the fact that

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we are giving to the creditor a protection which was not contemplated by the author of the Bill.

Government will also insist that the rate of interest after the date of certificate must not be 3 per cent but 6 per cent. This statement is an equitable one both from the point of view of the debtor and the creditor. The debtor gets a certificate even though not a single creditor agrees to a settlement, at the same time the creditors cannot complain because the creditor, when the board is satisfied that a reasonable offer has been made the worst is that when he goes to a court of law he will not get costs and nothing more than 6 per cent interest. The Government think that this is a sufficient check on the part of the creditors to come to an amicable settlement. I hope the position is perfectly clear and after the House agrees to this position we shall consider about the amendment.

Mr. P. Rama Menon (*Mulankunnathukavu*).—Mr. President, Sir, the position of the Government is now made perfectly clear by the lucid exposition of it by the Diwan President. The Government wants to help the debtor by this Bill even in cases where there is no fifty per cent agreement between the creditors and even if not one single creditor agrees in spite of the fact that the debtor has made all offers quite reasonable in the opinion of the Board. But I have to submit that this wider, certainly most desirable though, scope of the Bill was not intended by the mover of the Bill and was not considered by the Select Committee that has worked on it. This is a very fundamental difference in the very object and scheme of the Bill. As such it has to be considered in all its implications afresh either by the former Committee or a Fresh Committee. As we had no occasion to consider the Bill in this fundamentally different aspect, I submit the consideration of the Bill may be diferred for the time being so that we may have some little time to reconsider it in its new and wider aspect.

Dr. A. R. Menon (*Pallippuram*).—I think the old bill is only fit to adorn the Staute Book. The interpretation of the Government is really the one that we want to give. If this Bill is going to give any relief to the debtor, these two clauses ought to be interpreted like this. We would rather not have this Bill than having a Bill without those clauses. If 50 per cent is insisted upon it will be inoperative? I believe the House should congratulate the Government Advocate in taking a very liberal view of the matter. He has understood in the course of the discussion that the Bill will be a deadletter unless this liberal view is taken, I think he has tried with this legal

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ingenuity and subtility to make out a case. I am very glad. Whatever may be the wording of the clause Government has understood that his intention ought to be the intention of the Government. The House ought to be obliged to the Government Advocate for giving the most liberal interpretation to the Bill. After giving this assurance to the House to say that this Bill should be sent back to the Committee is very unreasonable. The less the number of people in drafting the better. We have had an epic fight between the legal giants and puny creatures like us are not to enter into it. The real essence of this piece of legislation, whatever you may call it whether conciliation or compulsion, is that there must be an element of compulsion provided those who are appointed by the Government are satisfied that the debtor has made a clean breast of his own affair. There must be some sort of equitable arrangement between the creditors and there must be relief to all parties. I do not propose to agree that it must be sent back to the Committee.

Mr. P. Govinda Menon (*Adur*).—I welcome very much the solicitude of the Government to grant greater facilities to the debtor to pay his debts by giving ampler powers to the Board. The new improvement that is sought to be made in this Bill is that even if a settlement is not possible under clause 14, it should be possible for the Board to go into the question and grant a certificate. I wish at this stage before either referring the Bill to a Select Committee or before proceeding further with the consideration of this Bill to invite your kind attention to one particular case. Suppose 40 per cent of the creditors agree to an amicable settlement under section 14 then under section 17 the Board will not do anything. It will reject the petition. Under section 18 the Board will further inquire whether the debtor did make a fair offer and will grant a certificate. At this stage I wish to know what is the position of those 40 per cent of the creditors who made the fair offer. Let us take it that the board is satisfied that 40 per cent of the creditors made a fair offer. If a certificate is granted to the debtor with respect to that 40 per cent also then the creditors are penalised for first making a fair offer. The granting of the certificate I suppose is an absolute necessity. If a certificate is granted to a debtor in such a case with respect to the 40 per cent then so far as the creditors are concerned they are penalised.

Mr. Thomas Manjuran (*Government Advocate and Law Officer*).— That is a mistake.

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Mr. P. Govinda Menon (*Adur*).—Suppose a certificate is granted to a debtor with respect to a certain debt to the effect that the debtor made a fair offer. Suppose the certificate is granted to the debtor with respect to 40 per cent of the debts. The consequence of granting such a certificate will be that the creditor is penalised in a case where for no fault of his the settlement fails. Suppose no certificate is granted. What is the effect? The debtor does not get any relief with respect to those 40 per cent debts. He gets relief only with respect to 60 per cent. Two things might take place. The new interpretation that is sought to be placed on section 18 is not so attractive as it is sought to be made out. If a settlement is not reached under section 14 the debtor will not get much. Because with respect to 40 per cent he cannot get any relief. If a certificate is issued it will be penalising the creditor and if no certificate is issued it will give nothing to the debtor. The penalties that must follow if a creditor does not come to a settlement should be such as to persuade him to come to a settlement. 6 per cent interest is now as a matter of course given in Courts. Therefore the fact that only 6 per cent interest will be awarded in future will not be a sufficient penalty. These are the things which the House will do well to consider.

Mr. P. Kumaran Ezhuthassan (*Vadakkancherri*).—The position of the Government has been sufficiently clarified by the statement that the Diwan President was pleased to make just now as also their attitude towards the measure. The position as explained by the Diwan President is that the interpretation that a section of this House has put upon clause 18 of the Bill is something which the Government wants to improve upon and thereby grant greater reliefs to the debtor. That is what is attempted by a section of this House to be gained by this measure. To the extent of that laudable object we are favourable. In achieving that purpose it is necessary that proper amendments and alterations in words or phrases have to be made in section 18 which deals with that question. To make the persons who deal with this measure, viz. the board, understand what exactly is meant by section 18, what exactly is the scope of section 18, is it only necessary that appropriate amendments is effected there? But in as much as the Government has got that laudable object and are prepared to grant much more than what a section of this House thinks fit to grant to the debtors, I fail to see the necessity or appropriateness of the amendment under discussion. In other words

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the position of the Government is they want to give the debtors something more than what we have intended. Consistent with that object Government finds it necessary, as stated by the President, to safeguard the interests and to work out the equities between the aggrieved unsecured creditors and non-aggrieved secured creditors if it is necessary that the percentage for the settlement should be half of the secured and unsecured creditors together and not fifty per cent of the unsecured creditors as put down in the Bill by the Select Committee. It is also necessary according to the Government to work out equities that 6 per cent interest is also necessary instead of three per cent, in clause 18 by way of penalty which has the effect of inducing persons to agree. That is the position of Government as I have understood it. I fail to see why to give that extended relief Government has to bring in secured creditors also along with the unsecured creditors.

Mr. President.—I am afraid the Hon'ble Member is harping upon the point 'secured creditor.' 50 per cent of the creditors might agree. A man may be owing 80,000, 50,000 to unsecured creditors and 30,000 to secured creditors. According to Government, it is not necessary. What the Hon'ble Member is saying is not intended. We do not want creditors of every class. He is attributing to Government a motive which they do not want. We only want that as a safeguard for the debtors. At least, creditors representing 50 per cent of the debts should come. We need secured creditors should come in certain cases.

Mr. P. Kumaran Ezhuthassan *(Vadakkancheri).*—I quite understand that position. Still, I fail to see the necessity for bringing into the 50 per cent of the total amount of debts of the secured creditors also. This position may very well be considered by the House. Secured creditors are a class by themselves because they have got security for the amount. They have not got sufficient inducement to come before the conciliation Board. Even if they do not come before the Conciliation Board, it is provided under section 14 in the proviso that their security is not affected. Their rights are left unimpaired, though in clause 18, there is a penalty which under the circumstances is not much, the penalty being that the costs will not be granted and only 3 per cent interest will be given to them. They do not stand much to lose by not interviewing the Conciliation Board and agreeing to the conciliation. On the other hand the position of an unsecured creditor is that with the proviso allowing the secured creditor to proceed against

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the security as he thinks, the position of the unsecured creditor is nothing but precarious. He is almost at the mercy of the secured creditor, because whatever is left after the secured creditor, under the penalty of clause 18, takes away from the security will alone be avaliable for the unsecured creditor. Therefore, with the proviso to clause 14, the position of the secured creditor is completely helpless. In order to safeguard the interest of the unsecured creditor, more than the secured creditor, this percentage of 50 is confined to unsecured creditors without the junction of the secured creditors who, as I submitted before, form a class not likely to come in before the Conciliation Board. Therefore, to say that 50 per cent of secured as well as unsecured creditors is necessary to work out the provisions of section 14, who more than the secured creditor is the person contemplated in the scheme of the Regulation, is, according to my humble submission, not necessary. With regard to the 6 per cent interest, of course, that is now beside the point of the immediate amendment;—that forms the subject-matter of another amendment—my submission is to work out the laudable intentions of the Government, it is not necessary to introduce this amendment here. If it is meant according to the best intentions of the Government, if the Government still thinks that without this amendment being accepted from their standpoint there is not the immediate possibility of this advantage contemplated under this measure being made available to the class of creditors for whom it is mainly intended, it will be time enough for this House to very seriously consider whether it will not be desirable for this House to accept this amendment and have the benefits of the measure even with that amendment. That is the point that this House will have to seriously consider on its merits. The advantages that the unsecured creditor is likely to have with this amendment being accepted and if he is otherwise bereft of the advantages that may come to him from the working of the conciliation board, it becomes the case of chosing the lesser of the two evils. That should be the attitude according to me in which the Hon'ble House may be pleased to look at and decide upon the question whether the amendment has to be accepted or not. My honest conviction is that to work out the laudable intentions of the Government, only appropriate amendments are necessary in section 18 and this amendment in section 14 is not necessary.

* മിസ്റ്റർ ടി. കെ. നായർ. (*Pazhayannur*)— സർ, ഈ ക്ലാ-ാം വകുപ്പിന്റെ ഭേദഗതി സ്വീകരിക്കുന്ന കാര്യത്തിൽ അതിനെ സംബ

* Speech not corrected by the Hon'ble Member.

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ന്ധിച്ചു ഇന്നു എക്സ് പ്ലെയിൻ ചെയ്ത സ്ഥിതിക്കു വലിയ വൈഷമ്യങ്ങളുണ്ടെന്നു എനിക്കു തോന്നുന്നില്ല. പ്രൊവൈസൊപ്രകാരം ചാർജ്ജുള്ള സ്വ വസ്തുക്കളിലും അവക്കു പ്രവേശിക്കാമെന്നു വച്ചിട്ടുണ്ടു്. അവരെ മുഴുവൻ ചേർത്തു് ഒരു ബോർഡ് വക്കുചെയ്യുവാൻ സാധിക്കയില്ല. അങ്ങിനെ ൫൦% സമ്മതിച്ചില്ലെങ്കിൽ ഈ ഡെറേഴ്സിനു യാതൊരു സഹായവും ഉണ്ടാകയില്ല എന്നുള്ള ഉദ്ദേശമായിരുന്നു എന്റെ മനസ്സിൽ. ഈ അൺസെക്യൂഡ് ക്രെഡിറേഴ്സിനു ൫൦% വേണമെന്നു ഉദ്ദേശിച്ച അവസരത്തിലും ഇപ്പോൾ ഗവമ്മെൻറിന്റെ അഭിപ്രായം എന്താണെന്നു മനസ്സിലാക്കാത്ത സ്ഥിതിക്കും അതിനനുസരിച്ചു, നിയമം യാതൊന്നും അറിയാതെ, മനസ്സിലാകാത്ത വിധത്തിൽ അമെൻറുമെൻറു കൊണ്ടുവന്നു അതു വെളിവാക്കുന്നതിലധികം കുറെ ഭേദമെന്നു ഞാനും സമ്മതിക്കുന്നതാണു്. അൺസെക്യൂഡ് ഡെറേഴ്സിനു ൫൦% എന്നതു വിട്ടു ടോട്ടൽ ഡെറേഴ്സിനു ൫൦% എന്നതു് സ്വീകരിക്കുന്നതു ഒരു കണ്ടീഷൻ പ്രീസീഡണ്ടേ ആയിട്ടുള്ളു എന്നാണു എന്റെ അഭിപ്രായം. ൫% ഇൻറെറസ്റ്റ് ൩%ആക്കുവാൻ ബഹുമാനപ്പെട്ട പ്രസിഡണ്ടു അവർകളും ഒരു ന്യായവും പറഞ്ഞതായിട്ടു എനിക്കു തോന്നുന്നില്ല. അദ്ദേഹം പറഞ്ഞ സംഗതികളിൽ വളരെ ന്യായവുമുണ്ടു്. ദിവാൻജി അവർകൾക്കു നാട്ടുപുറങ്ങളിലെ ഇടപാടുകളെപറ്റി നല്ല നിശ്ചയമുണ്ടെന്നു തോന്നുന്നില്ല. ഞങ്ങളുടെ നാട്ടുപുറങ്ങളിലെ വസ്തു ഇടപാടുകൾക്കു് മുഴുവനും ൩% ഇൻറെറസ്റ്റിലാണു് ആധാരം എഴുതുന്നതു്. അങ്ങിനെ അയ്യായിരം രൂപായിൽ കൂടുതലുള്ള ആധാരങ്ങൾ മുഴുവനും ൩% ഇൻറെറസ്റ്റിന്നാണു എഴുതുന്നതു്. തലപ്പിള്ളി താലൂക്കിൽ ഏതാണ്ടു അധികപക്ഷം ഇങ്ങിനെയാണു്.

Mr. President.—So nothing is lost by Government is not accepting the majority conclusions of the Antony Committee now.

മിസ്റ്റർ ടി. കെ. നായർ *(Pazhayannur)*.— തലപ്പിള്ളി താലൂക്കിലെ പണയാധാരങ്ങൾ മുഴുവനും ഇങ്ങിനെതന്നെയാണു്. ഇങ്ങിനെയുള്ള ആളുകളെ ഇതിൽ കൊണ്ടുവരുവാനാണു ഗവമ്മെൻറിന്റെ ഉദ്ദേശമെന്നും ഡെറേഴ്സിനു സഹായമായിരിക്കണം ബോർഡ് എന്നും, ഗവമ്മെൻറു വെളിവായി ധരിപ്പിച്ച സ്ഥിതിക്കു ഒരു സാധാരണയുള്ള ൩% ഇൻറെറസ്റ്റിൽ കുറച്ചു കുറയ്ക്കാതിരുന്നാൽ തീർച്ചയായിട്ടും കടക്കാരെ ഈ ബോർഡിലേക്കു വരുത്തുവൻ സാധിക്കുകയില്ല. കോടതികളിൽ നിന്നു വിധിച്ചു കൊടുക്കുന്നതു ൩% ആണു്. ഈ കാര്യമൊക്കെ ആലോചിച്ചാണു ൫% എന്നു വച്ചതു്. എന്റെ ബഹുമാനപ്പെട്ട സ്നേഹിതൻ മിസ്റ്റർ വിശ്വനാഥയ്യർ കൂടി ഇതു കഷ്ടിച്ചു സമ്മതിച്ചിട്ടുണ്ടു്. ഇപ്പോൾ ൩% ആക്കുന്നതിൽ വലിയ അബദ്ധമുണ്ടെന്നാണു എന്റെ അഭിപ്രായം. ഈ അമെൻറുമെൻറു തന്നെ മൂവു ചെയ്യേണ്ടിയിരുന്നില്ല. ൫% ആണെന്നു ഗവമ്മെൻറു സമ്മതിച്ചാൽ ആക്ഷേ

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പമില്ല. ന.% അല്ല ന്യ% ആണെങ്കിൽ ഒരു കാര്യം തീർച്ചയാണ്, ഇതൊക്കെ സ്വീകരിച്ചു പാസാക്കുവാൻ ഞങ്ങൾ തയ്യാറാണ്. പക്ഷെ ഈ മനസ്ഥിതിയാണ ഞങ്ങൾക്കുള്ളതെന്നു ഗവമ്മെൻറും ധരിക്കണം. ഇതിൽ ഞങ്ങൾക്കു നിർബന്ധമില്ല. ബോർഡു ശരിയായിട്ടു വരുക ചെയ്തക്ക നിലയിൽ കിട്ടിയാൽ കൊള്ളാമെന്നു മോഹമുണ്ട്. അതിനു ഗവമ്മെൻറു എന്തു അമെൻറുമെൻറു കൊണ്ടുവരുന്നതായാലും ഞങ്ങൾ സ്വീകരിക്കാം. അതു ഉപദ്രവമായിട്ടു മാത്രം വരരുതു്. ന്യ% എന്നുള്ളതു് ന.% എന്നാക്കുന്ന അമെൻറുമെൻറാണ് ഞങ്ങൾ എളുപ്പത്തിൽ സ്വീകരിക്കുക.

Mr. President.—In any case, the Bill cannot be passed into law today. According to the Standing Orders, this Bill can be passed only at the next sitting. What I would suggest is this. We are now considering the Government amendment to clause 14. If the House agrees, we will dispose of that amendment and take the vote on it and then we will take up the Bill in the next sitting of the Council. In the meantime, now that the position of the Government has been explained, the House may appoint a small committee consisting mainly of lawyers whose duty will be not to introduce any confusions in the Bill, but simply to put it in legal language, a drafting committee with instructions to put in proper legal language the ideas that have been given expression to by me and the Government and then we can take up this clause. With regard to the appeal made by the Hon'ble Mr. T. K. Nayar, regarding interest, the utmost that I can say is that we shall keep it as an open question and Government will have time to think over the matter. The Government's attitude with regard to the rate of interest will be decided when the question is taken up in the next meeting.

Mr. P. Kumaran Ezhuthassan (*Vadakkancheri*).—This may also be allowed to be considered in the drafting committee.

Mr. President—The whole Bill will be redrafted by the Committee. The position of Government has been thoroughly explained and I should also make it perfectly clear that the amendment of the Bill which affects the fundamental position will be taken up by Government. The House simply wants us to support in the voting of the Bill, in view of the public interest to have this great measure brought into operation. If that is the idea, there is not the slightest danger of this amendment. If, ultimately, the House finds that the amendments are not to their liking, they may cancel it at the third reading.

Mr. A. Sankara Menon (*Trippunithura*).—If the position of the Government is accepted by the House, I don't think

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there is any means of accepting the amendment, but I may say that if that position is accepted, the consideration of all the clauses might also be necessary.

Mr. President.—From the drafting point of view?

Mr. A. Sankara Menon (*Trippunithura*).—There are certain other defects also. For example, in Section 18 (2) wherein a certificate has been given, if a creditor sues in respect of that, no costs are given and he gets only 3 per cent interest. Under clause 3 suppose a decree has already been obtained. What is the penality? That is another difficulty. That also has to be made clear. If the House agrees I will put the amendment to the votes.

Mr. C. S. Viswanatha Ayyar (*Chittur-Tattamangalam Town*).—The threat or coersion by the sword hanging upon a creditor getting three per cent will be compelling him for conciliation.

Mr. President.—We are now only considering the amendment.

മിസ്റ്റർ കെ. എസ്സ്. പണിക്കർ. (*Ezhuva North*)— സർ, ഒരു സംശയമുണ്ട്. ഈ ബിൽ ഋണബാധിതരായ കർഷകന്മാരെ സഹായിക്കാനുള്ള ഒരു ബില്ലാണെന്ന ഇതു് അവതരിപ്പിച്ചപ്പോൾ പറഞ്ഞിട്ടുണ്ടു്. ഈ നിയമസഭയിൽ ഇതുസംബന്ധമായുണ്ടായ വാദപ്രതിവാദത്തിൽ നിന്നും ഇതു് എല്ലാ കടക്കാരേയും ബാധിക്കുന്നതാണെന്ന മനസ്സിലായി. നിയമജ്ഞന്മാരായ മെമ്പർമാരുടെ നിയമസംബന്ധമായ വാദപ്രതിവാദത്തിൽ കർഷകനാക്കു ഉപദ്രവമായി ഒന്നും വരരുതു് എന്നു മാത്രമേ എനിക്കു പറയുവാനുള്ളൂ.

മിസ്റ്റർ തോമസ്സുമാഞ്ഞൂരാൻ. (*Government Advocate and Law Officer*).— അതിനുവേണ്ടിയാണു് ഈ ബിൽ ഇവിടെ കൊണ്ടുവന്നിട്ടുള്ളതു്.

The amendment to Section 14 was put and carried.

Mr. Thomas Manjuran (*Government Advocate and Law Officer*).—I beg to move, Sir, that the further consideration of the Bill may be adjourned to the next sitting of the Council.

Mr. T. S. Narayana Ayyar (*Secretary to Government*).—I second it.

Motion was put and carried.

Mr. Thomas Manjuran (*Government Advocate and Law Officer*).—I further move that the Bill may be sent for examination and report to a Committee consisting of the Deputy president, the mover of the Bill and the Government Advocate.

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Mr. T. S. Narayana Ayyar (*Secretary to Government*).—I second it.

Motion was put and carried.

Mr. President.—The report should be made ready by the 15th of Dhanu. The Deputy President will be the Chairman.

Usually the practice here is on Government days after the Government business is passed to take up the non-official resolutions and only the last two days are fixed for the consideration of Bills of non-officials. So that there may be no danger of this Bill not going through the next sitting if the House agrees we will put this down in the agenda on Government day for the consideration of the House.

The House rose for lunch at 12-55 p. m. and re-assembled at 2-15 p. m. with the Deputy President (M. R. Ry. A. Sankara Menon Avl., B. A. & B. L.) in the Chair.

The Cochin Marumakkathayam Bill.

Mr. P. Kumaran Ezhuthassan (*Vadakkancheri*).—Mr. President, Sir, the Cochin Marumakkathayam Bill has been circulated among respectable members of communities and the printed copy of the opinions gathered, circulated among the Members of this House shows a feeling on the part of a large section of the communities affected by the Bill, though a measure like that is welcomed by a large section of the people. But even amongst that section which welcomes a measure of this sort, there seems to be some difference of opinion regarding certain vital provisions of the Bill. It is therefore necessary to further examine the Bill and, if necessary, to take evidence on this question, and therefore, I move that this Bill be referred to a Select Committee consisting of (1) the Diwan Peishkar (2) Mr. Ikkanda Warriar (3) Mr. Ashtamurthi Namboodiripad (4) Mr. A Narayana Menon (5) Dr. A. R. Menon and (6) myself.

Mr. T. K. Nayar (*Pazhanji*).—I second it.

Mr. T. S. Narayana Ayyar (*Secretary to Government*).—I wish to make the position of Government clear. Government will not now oppose the motion to refer to a Select Committee. But in view of the diversity of opinion that has been expressed by various persons among whom the Bill was circulated, Government would postpone any indication of their attitude until after the report of the Select Committee is received, and will remain neutral in the meanwhile. I would also in this connec-

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